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May 1, 2020

CO-CHAIR, DEMOCRATIC STEERING AND POLICY COMMITTEE

COMMITTEE ON APPROPRIATIONS

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LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

COMMITTEE ON THE BUDGET

The Honorable George Ervin "Sonny" Perdue III Secretary
United States Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Secretary Perdue:

I write regarding the continuing impact the COVID-19 public health emergency is having on America's agricultural system as well as the farmers, ranchers, and growers dedicated to producing our abundant food supply. Given the massive scale of this crisis, I urge you to undertake a bold and innovative response to ensure the continued availability of food by utilizing the full weight of the federal government.

In recent weeks, the challenges facing our food system have garnered national attention. Images and videos continue to surface of dairy farmers dumping millions of gallons of milk, farmers plowing over fields of fresh produce, and greenhouses throwing away spring flowers. These actions are undoubtedly heartbreaking for farm families who have seen their markets eliminated. But at the same time, their juxtaposition to the shortages and long lines at food banks have caused confusion and frustration among many Americans.

On Friday, April 17, the U.S. Department of Agriculture announced the Coronavirus Food Assistance Program (CFAP), a \$19 billion direct payment and commodity procurement proposal using a portion of the resources provided by Congress through the *Families First Coronavirus Response Act* as well as the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*. While the proposal will provide some relief to certain sectors of the agricultural economy, it will fall woefully short in meeting the needs of farmers as well as the growing number of people facing hunger and food insecurity.

Instead, I urge you to undertake bold and innovative actions in an effort to ensure the continued production and distribution of food in America. The historical approach of direct farm payments and bulk food purchases can play a role in stabilizing farm income and market prices, but they

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alone are inadequate solutions to the ongoing disruptions to the food supply chain caused by COVID-19. As such, I respectfully submit the following action plan.

Action 1: Establish an Ad Hoc Public-Private Partnership with Members of the Food Processing and Distribution Sectors to Expedite Diversion of Surplus Foods

Prior to the COVID-19 public health emergency, Americans consumed a significant portion of their food away from home – at restaurants, corporate cafeterias/dining halls, and hotels. As a result of social distancing guidelines, many of these businesses have closed along with their sophisticated supply networks of food service providers. Realizing the food system is unable to pivot quickly from providing large quantities of product for restaurants and other food service customers to smaller quantities purchased at grocery stores, a public-private partnership with the processing and distribution sectors could:

- Create and implement a detailed food distribution plan prior to procurement of surplus commodities to provide for an efficient and equitable distribution of food and to minimize food waste and supply shortages;
- Provide for real-time understanding and collaborative solutions of problems related to processing, transportation, storage, delivery, and other logistics; and,
- Identify programs and authorities, and gaps thereof, within USDA that could expand appropriate distribution of food throughout the supply chain.

Action 2: Create an Intergovernmental Task Force to Protect Food Workers, Meat Processing Workers, and Farm Workers to Ensure Continuity of Supply

Members of the frontline food supply chain workforce – food processing, meat and poultry plant employees, and farm workers – play an essential role in the continued availability food products. By failing to fully protect this workforce, we not only jeopardize their own personal health, but risk a continued increase in closures of food processing facilities. To address this shortcoming, USDA's Food Safety and Inspection Service (FSIS) should immediately create an intergovernmental task force with the Centers for Disease Control and Prevention (CDC), the Food and Drug Administration (FDA), and the Occupational Safety and Health Administration (OSHA) to establish, implement, and ensure compliance with recommendations to ensure worker safety during this pandemic. Ensuring that food processors and distributors are operating with proper health and safety protocols will enable a more robust food supply system by avoiding a concentration of burden and risk on the few suppliers still in operation. Additionally, USDA and its federal partners should:

- Prioritize members of the food supply chain workforce for COVID-19 testing, access to personal protective equipment (PPE), and forthcoming treatments;
- Review and modify existing regulatory waivers of federal meat inspection requirements, if necessary, to meet recommended food safety and health guidelines for safe operation; and,

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 Direct meat packing companies to reduce production line speeds and require them to provide employees with social distancing and physical barriers to reduce potential exposure and spread of coronavirus.

Action 3: Fully Utilize All Resources Provided by Congress to Assist Family Farmers, Ranchers, and Grower Operations Affected by COVID-19

Family farmers, ranchers, and grower operations have been negatively impacted by COVID-19 because of losses of direct markets, falling market prices, and uncertainties around farm labor. While nearly all agricultural sectors have been impacted, some have been hit harder than others. These include small and mid-sized dairy farms, specialty crop growers, and greenhouse and nursery operations. Swift, decisive action is needed to preserve these small and mid-sized farming operations, many of which have been family-owned for several generations.

- Identify and employ existing USDA purchasing and program authority (e.g. Section 32, CCC, etc.) to compensate local farmers and ranchers for distributing product to local food banks, school meals programs, and other federal food purchase and distribution programs;
- Expand the list of recipient organizations eligible of USDA food distribution beyond food banks and select organizations that are already overwhelmed by increased demand, a lack of funding, and too few volunteers;
- Utilize the unbiased expertise of USDA's Economic Research Service (ERS) to estimate and project current and future losses for various agricultural sectors;
- Incorporate into existing USDA proposals the additional \$14 billion funding for the Commodity Credit Corporations (CCC) provided by Congress in the *CARES Act*;
- Prioritize direct payments to small and mid-sized farm, ranch, and growing operations not typically covered under Farm Bill safety net programs;
- Enable the Farm Service Agency to ease repayment periods, explore low interest and loan forgiveness options, and maintain suspension of all new internal loan accelerations and foreclosures through the end of 2020; and,
- Increase USDA's Agricultural Marketing Service's (AMS) oversight and investigation of livestock markets to identify market manipulation and price irregularities and report findings to appropriate state and federal authorities.

Action 4: Partner with Congress on Bold and Innovative Solutions to Utilize Excess Capacity to Feed Americans

The mounting problems caused by COVID-19 on the nation's food supply are more than any one segment of the supply chain can solve alone. This massive crisis must be met with the full weight of the federal government. As Congress begins negotiations on future coronavirus response packages, USDA should partner with Congress on bold and innovative solutions that bring together federal government resources, abilities of state and local governments, and the expertise of nonprofit organizations to address outstanding issues. Proposals for consideration include:

- Increase the food purchasing power of low-income and recently unemployed people by increasing the monthly Supplemental Nutrition Assistance Program (SNAP) benefit, and expand SNAP spending flexibility by granting nationwide eligibility for online purchasing, allowing for low-cost, hot meal purchases at retailers and restaurants, creating an incentive program tied to the purchase of perishable food items.
- Identify ways to utilize the enormous excess capacity of commercial kitchen spaces, food
 processing and distribution facilities that have the ability to produce foods on large scale
 for distribution and harmonizing USDA food procurement with these efforts where
 possible;
- Establish a Food Donation Program to offset costs for farmers and food producers to
 process and deliver to food pantries, cities/municipalities, and nonprofit organizations
 food product that would otherwise be destroyed or dumped.
- Authorize federal funding for nonprofits, like Chef José Andrés' World Central Kitchen, engaged in activating restaurants, food service distributors, and school cafeterias to provide meals to vulnerable populations;
- Support initiatives by state and local governments, like New Haven, Connecticut's Coordinated Food Assistance Network (CFAN), to coordinate food resources, provide for food deliveries, and safely prepare a volunteer network;
- Administer a federal grant program to provide food banks and pantries the resources to obtain additional storage space and refrigeration capacity that is needed to handle increased food donations and perishable items;
- Through additional regulatory flexibility and new authority, provide for reimbursement
 of school meal expenses incurred as a result of emergency community feeding programs;
 and.
- Support efforts in Congress to expand the reach of nutrition education programs, like SNAP-Education (SNAP-Ed), by allowing two percent of the program's budget to be used for increases in staff, providing of technical assistance, and conducting pilot research programs.

Thank you for your consideration of these proposed actions and I look forward to working with you as we act to ensure a safe and abundant food supply throughout this emergency.

Sincerely,

ROSA L. DeLAURO Member of Congress